



Capitala Group Announces Formation of Capitala Senior Loan Fund II, LLC

February 27, 2019

Joint venture with Trinity Universal Insurance Company broadens Capitala Group's lower middle market reach

CHARLOTTE, N.C., Feb. 27, 2019 (GLOBE NEWSWIRE) -- Capitala Finance Corp. ("Capitala Finance"), announced today the formation of Capitala Senior Loan Fund II, LLC ("CSLF II"). CSLF II is a joint venture between Capitala Finance and Trinity Universal Insurance Company ("Trinity"), a subsidiary of Kemper Corporation (NYSE:KMPR) ("Kemper"), and will invest in senior secured loans to lower middle market companies.

The partnership is currently designed to grow to \$150 million in size, with \$50 million of junior capital and \$100 million of senior secured leverage and is scalable beyond \$150 million. CSLF II began investing during the fourth quarter of 2018 and will invest only in first out positions of senior secured loans, allowing Capitala Finance and certain other unaffiliated Capitala Group-managed accounts to invest in the same loans, at yields that satisfy those funds' return profiles.

"We are excited to again partner with Kemper Corporation," stated Joe Alala, III, Chairman and CEO of Capitala Group. "CSLF II will allow us to provide additional credit solutions to the lower middle market at attractive pricing while providing attractive, yield-enhanced risk-adjusted returns to our public and private investors."

About Capitala Group

Capitala Group is a \$2.7 billion asset management firm that has been providing capital to lower middle market companies throughout North America for twenty years. Since our inception in 1998, Capitala has invested in over 150 companies and seeks to partner with strong management teams to create value and generate superior risk-adjusted returns for our individual and institutional investors. For more information, visit our website at www.CapitalaGroup.com.

About Capitala Finance Corp.

Capitala Finance Corp. is a business development company that invests primarily in first and second lien loans, subordinated debt and, to a lesser extent, equity securities issued by lower middle market companies. The Company is managed by Capitala Investment Advisors, LLC. For more information on Capitala, or to automatically receive email notifications of Company financial information, press releases, stock alerts, or other corporate filings, please visit the [Investor Relations](#) section of our website.

About Kemper Corporation

Kemper Corporation, with nearly \$12 billion in assets, is one of the nation's leading insurers. The Kemper family of companies specialize in property and casualty insurance and life and health insurance for individuals, families, and small businesses. Kemper employs more than 8,100 associates, services 6.3 million policies, is represented by 30,000 agents and brokers, and is licensed to sell insurance in 50 states and the District of Columbia.

Contacts:

Steve Arnall
CFO | Investor Relations
sarnall@capitalagroup.com

Katina Cole Jakubowski
Marketing | Communications
kjakubowski@capitalagroup.com